REMARKS

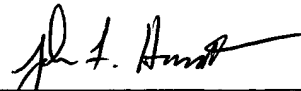
Claims 1-15 are pending. Claims 1, 5, 9 and 10 have been amended to more particularly point out and distinctly claim the invention. Support for the amendments can be found in the application as originally filed on page 1 at lines 17-21, and on page 5 at lines 7-9 and lines 17-21. No new matter has been added.

The applicant's representative would like to thank the Examiner for the courtesy of a telephone conference held on September 3, 2003. The patentability of claims 1 and 5 over the Edgar patent were discussed. No agreement was reached. The applicant's representative argued that the Edgar patent teaches nothing more than using a conventional dithering algorithm, and specifically fails to disclose or suggest a variable dithering algorithm as recited in claims 1 and 5 for the reasons noted in the response the applicant filed on April 21, 2003. The Examiner disagreed, and argued that the term dithering can be broadly construed to mean any type of color operation including color blending, and that the Edgar patent in fact discloses a variable color blending and so dithering algorithm. However, the Examiner agreed that if the term dithering is construed to mean creating pixel patterns of colors that are available in the limited color palette of an output image to simulate colors that are not available in the limited color palette of the output image, the Edgar patent fails to disclose variable dithering.

The applicant respectfully submits that claims 1-15, as amended, are allowable, and are in particular patentable over the Edgar patent. The applicant respectfully requests that claims 1-15 be examined and allowed to issue. No fees are believed due, however, please apply any other charges or credits to deposit account 06-1050.

Respectfully submitted,

Date: 10/01/03


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